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MARYLAND ASPHALT ASSOCIATION



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February 2, 2023

Delegate Kumar Barve, Chair
Environment Transportation Committee
Room 251 House Office Building
Annapolis, MD 21401

Delegate Vanessa E. Atterbeary, Chair
Ways and Means Committee
Room 131 House Office Building
Annapolis, MD 21401

RE: HB 12 – UNFAVORABLE – Equitable and Inclusive Transit-Oriented Development Enhancement Act

Dear Chair Barve, Chair Atterbeary, and Members of the Committees:

The Maryland Asphalt Association (MAA) is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 12 would establish the Transit-Oriented Development (TOD) Capital Grant and Revolving Loan Fund in order to promote equitable development of TODs throughout Maryland. The fund will consist of money appropriated from the State budget and other sources, such as the Transportation Trust Fund (TTF). The bill dictates that the TOD Capital Grant and Revolving Loan Fund must have \$10 million at the start of each fiscal year.

While we appreciate the intent of this legislation, MAA opposes House Bill 12 because of the impact it would have on the TTF and the critical road and highway maintenance and construction projects it finances. TTF revenues would decrease by \$358,200 in the first year, with future increases possible. There currently exists a gap of \$5.6 billion to meet the lifecycle needs of MDOT assets over the next ten years, covering all highway resources like drainage, roadway lighting, traffic barrier, signals, facilities, pavements/bridges, etc. Maintaining safety assets is our industry's most significant concern at this time, but the resulting increase in the system preservation funding gap would only serve to make our deteriorating roads and crumbling bridges even more dangerous. With ongoing TTF revenues already in jeopardy, we need to be thinking of ways to strengthen our transportation infrastructure, not weaken it.

We appreciate you taking the time to address this issue and we respectfully urge an unfavorable report on House Bill 12.

Sincerely,

Marshall Klinefelter
President
Maryland Asphalt Association